

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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In re	:	Chapter 11
	:	
ALPHA ENTERTAINMENT LLC,	:	Case No. 20-10940 (LSS)
	:	
Debtor. <sup>1</sup>	:	
	:	
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**FIRST QUARTERLY POST-CONFIRMATION  
REPORT OF PLAN ADMINISTRATOR**

Peter Hurwitz, solely in his capacity as plan administrator (the “Plan Administrator”) for the above-captioned debtor and post-effective date debtor (the “Debtor”), submits this First Quarterly Report of Plan Administrator (the “Quarterly Report”), and states as follows:

**Relevant Background**

1. On April 13, 2020 (the “Petition Date”), the Debtor commenced this bankruptcy case by filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code.
2. Additional information about the Debtor’s business and the events leading up to the Petition Date can be found in the *Disclosure Statement for the 1<sup>st</sup> Amended Chapter 11 Plan of Alpha Entertainment LLC* [Docket No. 503].
3. On December 10, 2020, the Debtor filed the *2<sup>nd</sup> Amended Chapter 11 Plan of Alpha Entertainment LLC* [Docket No. 583] (the “Plan”). On December 11, 2020, the Court entered an order confirming the Plan [Docket No. 592], which approved the appointment of the Plan Administrator as of the Effective Date. *Id.* at ¶ 18. The Effective Date occurred on December 22, 2020. [See Docket No. 604].

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<sup>1</sup> The last four digits of the Debtor’s federal tax identification number are 7778. The Debtor’s mailing address is c/o Peter Hurwitz, Plan Administrator, 40 Half Moon Lane, Irvington, NY 10533.

**UPDATE ON POST-CONFIRMATION ADMINISTRATION**

4. The Plan Administrator has been active in administering the post-confirmation estate (the “**Estate**”) following his appointment on the Effective Date. Among other things, the Plan Administrator, with the assistance and advice of his professionals, has been actively engaged in the following:

- a. **Claims Review.** Over 1000 claims were filed with the Debtor’s claims agent. The Plan Administrator and his professionals are undertaking a detailed review and analysis of the filed claims. The Plan Administrator anticipates filing an omnibus objection to claims in the near future.
- b. **Resolving Administrative Expense Claims.** The Plan Administrator and his professionals negotiated resolutions with several administrative expense claimants, including various landlords. The Plan Administrator has paid all holders of allowed administrative expenses.
- c. **Resolving Setoff Claims.** The Plan Administrator and his professionals negotiated and resolved several requests from creditors to exercise setoff rights against the Debtor and its estate.
- d. **Workers’ Compensation Analysis.** As a former professional football league, the Debtor’s workers’ compensation policy and claims process is complex. The Plan Administrator and his professionals have actively engaged in discussions and analyses in respect of the Debtor’s workers’ compensation policies and attendant issues.
- e. **Litigation Investigation.** The Plan Administrator and his professionals have been actively investigating potential causes of action of the Estate, including retained avoidance actions.
- f. **Bank Accounts.** The Plan Administrator closed the Debtor’s accounts and opened a new post-Effective Date bank account through which he can efficiently manage the Estate’s receipts and disbursements.
- g. **Taxes.** The Plan Administrator has been in correspondence with a tax accounting firm regarding preparation of the Debtor’s federal and state tax returns and related issues. Tax return extensions have been filed and preparation of the various returns is underway.
- h. **Creditor Inquiries.** The Plan Administrator and his professionals have been actively responding to creditor inquiries, including inquiries from representatives of former player groups.
- i. **Registration Cancellations.** As a football league with operations in many different states and payroll obligations in even more, the Debtor had an extensive network of business, tax and other registrations in almost every state. The Plan

Administrator has been actively working to cancel business, tax and various other corporate registrations in jurisdictions across the United States.

5. The non-restricted cash available in the Estate as of March 31, 2021 was \$5,981,069.65. Details surrounding the financial position of the Estate, including assets, liabilities and transfers of the Estate made for the quarter ending March 31, 2021, are set forth on **Exhibit A** attached hereto.

6. The Plan Administrator has taken, and is taking, the steps described above to cancel various administrative registrations in connection with wind-down and costs savings efforts, while progress has been made, the comprehensive claims review and litigation investigation processes and wind-down of the Estate remain ongoing.

7. Additional information concerning the Debtor's bankruptcy case and claims filed in the case may be found at: <https://www.donlinrecano.com/Clients/alpha/Index>.

Dated: May 4, 2021

GREENBERG TRAURIG, LLP

/s/ Dennis A. Meloro

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*Counsel for the Plan Administrator*

**EXHIBIT A**

**Post-Confirmation Financial Report**

**OFFICE OF THE UNITED STATES TRUSTEE - REGION 3**  
**POST-CONFIRMATION QUARTERLY SUMMARY REPORT**

This Report is to be submitted for all bank accounts that are presently maintained by the post confirmation debtor.

Debtor's Name: Alpha Entertainment LLC Bank: JP Morgan Chase  
 Bankruptcy Number: 20-10940 (LSS) Account Number (last 4): 6539  
 Date of Confirmation: 12/11/20 Account Type: Checking- Concentration  
 Reporting Period (month/year): 1/1/21 - 3/31/21

Beginning Cash Balance: \$ 6,005,802.39

All receipts received by the debtor:

Cash Sales:	\$ -
Collection of Accounts Receivable:	\$ 8,965.96
Proceeds from Litigation (settlement or otherwise):	\$ -
Sale of Debtor's Assets:	\$ -
Capital Infusion pursuant to the Plan:	\$ -
Interbank transfers received	\$ 32,530.08

Total of cash received: \$ 41,496.04

Total of cash available: \$ 6,047,298.43

Less all disbursements or payments (including payments made under the confirmed plan) made by the Debtor:

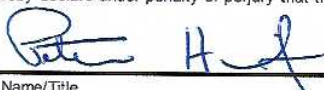
Disbursements made under the plan, excluding the administrative claims of bankruptcy professionals:	\$ -
Disbursements made pursuant to the administrative claims of bankruptcy professionals:	\$ -
All other disbursements made in the ordinary course:	\$ 66,228.78

Total Disbursements \$ 66,228.78

Ending Cash Balance \$ 5,981,069.65

Pursuant to 28 U.S.C. Section 1746(2), I hereby declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

4/26/21  
 Date

  
 Name/Title

Debtor: Alpha Entertainment LLC

Case Number: 20-10940 (LSS)

**OFFICE OF THE UNITED STATES TRUSTEE - REGION 3**  
**POST-CONFIRMATION QUARTERLY SUMMARY REPORT**

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<b>Total Disbursements</b>	<b>\$ 66,228.78</b>

Ending Cash Balance \$ 5,981,069.65

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Date

  
Name/Title

Debtor: Alpha Entertainment LLC

Case Number: 20-10940 (LSS)

**OFFICE OF THE UNITED STATES TRUSTEE - REGION 3**  
**POST-CONFIRMATION QUARTERLY SUMMARY REPORT**

**This Report is to be submitted for all bank accounts that are presently maintained by the post confirmation debtor.**

Debtor's Name: Alpha Entertainment LLC	Bank: JP Morgan Chase
Bankruptcy Number: 20-10940 (LSS)	Account Number (last 4): 2606
Date of Confirmation: 12/11/2020	Account Type: Savings- Collateral/Restricted
Reporting Period (month/year): 1/1/21 - 3/31/21	

Beginning Cash Balance: \$ 2,311,079.69

All receipts received by the debtor:

Cash Sales:	\$ -
Collection of Accounts Receivable:	\$ -
Proceeds from Litigation (settlement or otherwise):	\$ -
Sale of Debtor's Assets:	\$ -
Capital Infusion pursuant to the Plan:	\$ -
Interbank transfers received	\$ -
Interest Income	\$ 128.89
Total of cash received:	<u>\$ 128.89</u>

Total of cash available: \$ 2,311,208.58

Less all disbursements or payments (including payments made under the confirmed plan) made by the Debtor:

Disbursements made under the plan, excluding the administrative claims of bankruptcy professionals:	\$ -
Disbursements made pursuant to the administrative claims of bankruptcy professionals:	\$ -
All other disbursements made in the ordinary course:	\$ 300,000.00
Total Disbursements	\$ 300,000.00

Ending Cash Balance \$ 2,011,208.58

Pursuant to 28 U.S.C. Section 1746(2), I hereby declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

4/26/21  
Date

  
Name/Title

Debtor: Alpha Entertainment LLC

Case Number: 20-10940 (LSS)

**OFFICE OF THE UNITED STATES TRUSTEE - REGION 3**  
**POST-CONFIRMATION QUARTERLY SUMMARY REPORT**

This Report is to be submitted for all bank accounts that are presently maintained by the post confirmation debtor.

Debtor's Name: Alpha Entertainment LLC Bank: JP Morgan Chase  
 Bankruptcy Number: 20-10940 (LSS) Account Number (last 4): 7602  
 Date of Confirmation: 12/11/2020 Account Type: Checking- Operations  
 Reporting Period (month/year): 1/1/21 - 3/31/21

Beginning Cash Balance: \$ 32,030.08

All receipts received by the debtor:

Cash Sales:	\$ -
Collection of Accounts Receivable:	\$ -
Proceeds from Litigation (settlement or otherwise):	\$ -
Sale of Debtor's Assets:	\$ -
Capital Infusion pursuant to the Plan:	\$ -
Interbank transfers received	\$ -
Interest Income	\$ -
Total of cash received:	<u>\$ -</u>

Total of cash available: \$ 32,030.08

Less all disbursements or payments (including payments made under the confirmed plan) made by the Debtor:

Disbursements made under the plan, excluding the administrative claims of bankruptcy professionals:	\$ -
Disbursements made pursuant to the administrative claims of bankruptcy professionals:	\$ -
All other disbursements made in the ordinary course:	\$ -
Interbank transfers disbursed:	\$ 32,030.08
Total Disbursements	\$ 32,030.08

Ending Cash Balance \$ -

Pursuant to 28 U.S.C. Section 1746(2), I hereby declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

4/26/21  
 Date

  
 Name/Title

Debtor: Alpha Entertainment LLC

Case Number: 20-10940 (LSS)



**OFFICE OF THE UNITED STATES TRUSTEE - REGION 3**  
**POST-CONFIRMATION QUARTERLY SUMMARY REPORT**

This Report is to be submitted for all bank accounts that are presently maintained by the post confirmation debtor.

Debtor's Name: Alpha Entertainment LLC                      Bank: JP Morgan Chase  
 Bankruptcy Number: 20-10940 (LSS)                      Account Number (last 4): 9632  
 Date of Confirmation: 12/11/2020                      Account Type: Checking- Disbursement (zero-balance sweep)  
 Reporting Period (month/year): 1/1/21 - 3/31/21

Beginning Cash Balance: \$ -

All receipts received by the debtor:

Cash Sales:	\$ -
Collection of Accounts Receivable:	\$ -
Proceeds from Litigation (settlement or otherwise):	\$ -
Sale of Debtor's Assets:	\$ -
Capital Infusion pursuant to the Plan:	\$ -
Interbank transfers received	\$ 66,228.78
Interest Income	\$ -
Total of cash received:	<u>\$ 66,228.78</u>

Total of cash available: \$ 66,228.78

Less all disbursements or payments (including payments made under the confirmed plan) made by the Debtor:

Disbursements made under the plan, excluding the administrative claims of bankruptcy professionals:	\$ -
Disbursements made pursuant to the administrative claims of bankruptcy professionals:	\$ -
All other disbursements made in the ordinary course:	\$ -
Interbank transfers disbursed:	\$ 66,228.78
Total Disbursements	\$ 66,228.78

Ending Cash Balance \$ -

Pursuant to 28 U.S.C. Section 1746(2), I hereby declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and be

4/26/21  
Date

  
Name/Title

Debtor: Alpha Entertainment LLC

Case Number: 20-10940 (LSS)

**OFFICE OF THE UNITED STATES TRUSTEE - REGION 3**  
**POST-CONFIRMATION QUARTERLY SUMMARY REPORT**

This Report is to be submitted for all bank accounts that are presently maintained by the post confirmation debtor.

Debtor's Name: Alpha Entertainment LLC                      Bank: PayPal

Bankruptcy Number: 20-10940 (LSS)                      Account Number (last 4): HPZC

Date of Confirmation: 12/11/2020                      Account Type: PayPal

Reporting Period (month/year): 1/1/21 - 3/31/21

Beginning Cash Balance: \$ 500.00

All receipts received by the debtor:

Cash Sales:	\$ -
Collection of Accounts Receivable:	\$ -
Proceeds from Litigation (settlement or otherwise):	\$ -
Sale of Debtor's Assets:	\$ -
Capital Infusion pursuant to the Plan:	\$ -
Interbank transfers received	\$ -
Interest Income	\$ -
Total of cash received:	<u>\$ -</u>

Total of cash available: \$ 500.00

Less all disbursements or payments (including payments made under the confirmed plan) made by the Debtor:

Disbursements made under the plan, excluding the administrative claims of bankruptcy professionals:	\$ -
Disbursements made pursuant to the administrative claims of bankruptcy professionals:	\$ -
All other disbursements made in the ordinary course:	\$ -
Interbank transfers disbursed:	\$ 500.00
Total Disbursements	\$ 500.00

Ending Cash Balance \$ -

Pursuant to 28 U.S.C. Section 1746(2), I hereby declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

4/26/21  
Date

  
Name/Title

Debtor: Alpha Entertainment LLC

Case Number: 20-10940 (LSS)

<b>ASSETS</b>		
Cash (Unrestricted)	5,974,446	5,388,987
Cash (Restricted)	2,011,209	2,310,425
Accounts Receivable (Net)	593,228	2,629,400
Inventory	-	2,840,125
Notes Receivable	-	-
Prepaid Expenses	67,480	3,395,352
Petty Cash		6,000
Other (Attach List)		-
<i>Total Current Assets</i>	<i>8,646,363</i>	<i>16,570,289</i>
<b>Property, Plant &amp; Equipment</b>		
Furniture, fixtures & Office Equipment	-	12,881,636
Construction in Process (CIP)	-	656,060
Leasehold Improvements	-	3,586,604
Less: Accumulated Depreciation/Depletion	-	(1,857,309)
<i>Total Property, Plant &amp; Equipment</i>	<i>-</i>	<i>15,266,991</i>
<b>Other Assets</b>		
Operating Lease Right-of-Use Assets	-	6,209,553
Long Term Assets and Deposits	527,619	692,537
Other (Attach List)	-	-
<i>Total Other Assets</i>	<i>527,619</i>	<i>6,902,090</i>
<b>TOTAL ASSETS</b>	<b>9,173,982</b>	<b>38,739,370</b>
<b>Liabilities Not Subject to Compromise (Postpetition Liabilities)</b>		
Accounts Payable	11,146,156	4,319,429
Accounts Payable (postpetition)	-	50,000
Taxes Payable (refer to FORM MOR-4)	3,786	12,674
Deferred Income	5,500,022	5,004,571
Wages Payable (postpetition)	-	254,668
Accrued Expenses and Other Liabilities	4,721,186	12,855,614
Operating Lease Liability	-	30,446
Professional Fees (postpetition)	-	-
Other Postpetition Liabilities (attach schedule)	-	-
<i>TOTAL CURRENT LIABILITIES</i>	<i>21,371,150</i>	<i>22,527,402</i>
<b>LONG-TERM LIABILITIES</b>		
Long-term Operating Lease Liabilities	-	6,387,672
<i>TOTAL CURRENT LIABILITIES</i>	<i>-</i>	<i>6,387,672</i>
<b>TOTAL LIABILITIES</b>	<b>21,371,150</b>	<b>28,915,074</b>
<b>MEMBER'S CAPITAL</b>		
Member's Capital	190,750,100	199,000,100
Noncontrolling Interests	1,128,778	984,064
Retained Earnings (accumulated deficit)	(204,076,046)	(190,159,868)

Adjustments to Owner Equity (attach schedule)	-	-
Postpetition Contributions (Distributions) (Draws) (attach schedule)	-	-
<i>TOTAL MEMBER'S CAPITAL</i>	(12,197,168)	9,824,296
<b>TOTAL LIABILITIES AND MEMBER'S CAPITAL</b>	<b>\$9,173,982</b>	<b>\$38,739,370</b>